

Fragile? Conflicted? Explosive?:  
Recent History and Nigeria's Post-Election  
Future

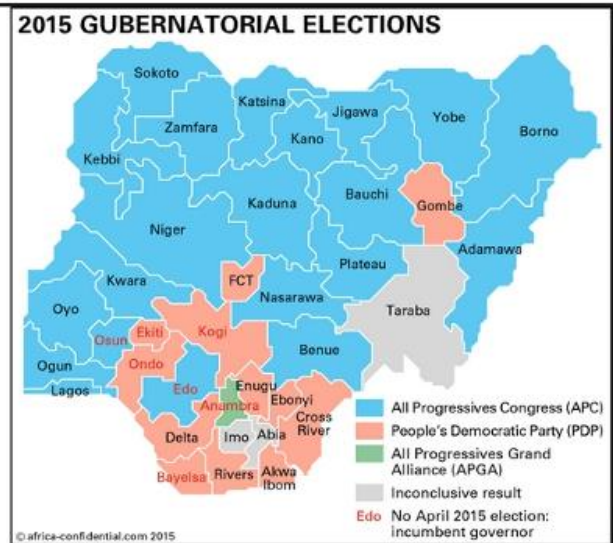
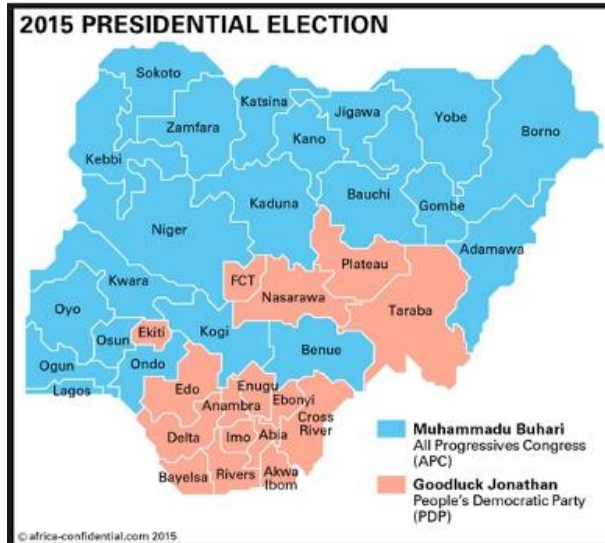


Photo: Ed Kashi

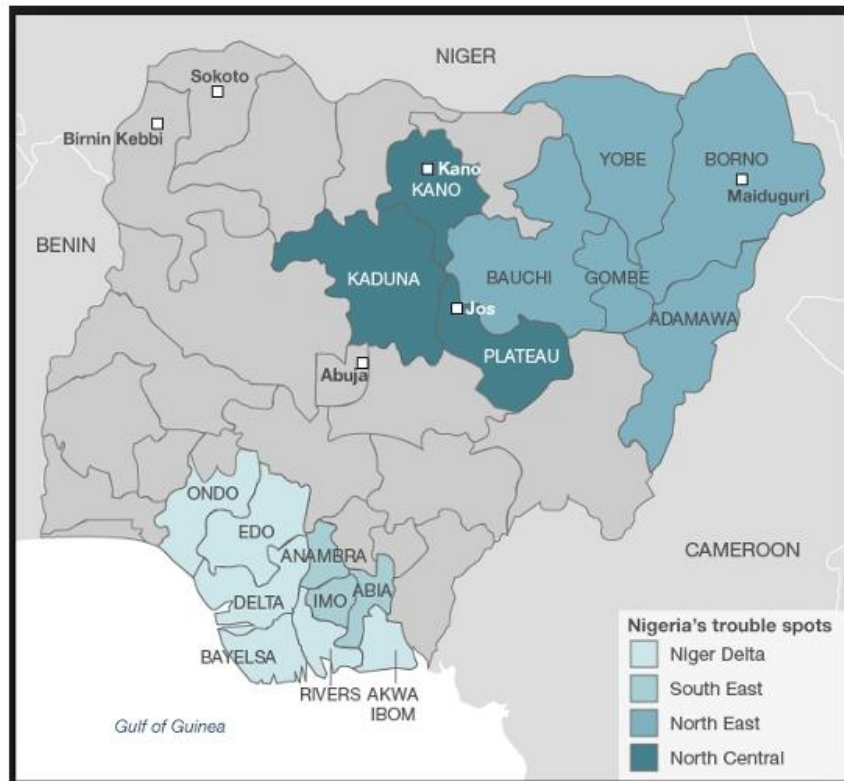
Michael Watts  
Peace Corps Conference  
Berkeley June 4<sup>th</sup> 2015



## A New Dispensation-The end of the PDP?



## Twin Insurgencies since the Return to Civilian Rule in 1999



# Nigeria: Too Big to Fail

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WEDNESDAY, NOVEMBER 6, 2013

## Too Big to Fail

But are Nigeria's elections already too fraught to succeed?

BY MAGGIE FICK | APRIL 4, 2011



The Atlantic

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## Nigeria: Too Big to Fail

By G. Pascal Zachary

*From corruption to sectarian division to terrorism, Africa's most populous country (and one of its most oil-rich) could find itself spiraling out of control*

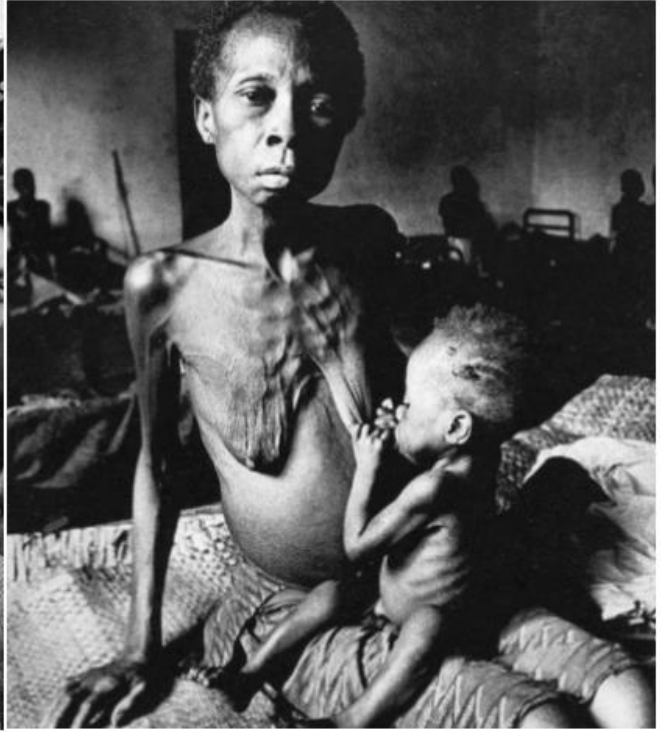


Felowers of the Muslim Brothers of Nigeria stage a peaceful rally to mark 'Qudas Day' in Nigeria's northern city of Kano (Reuters)

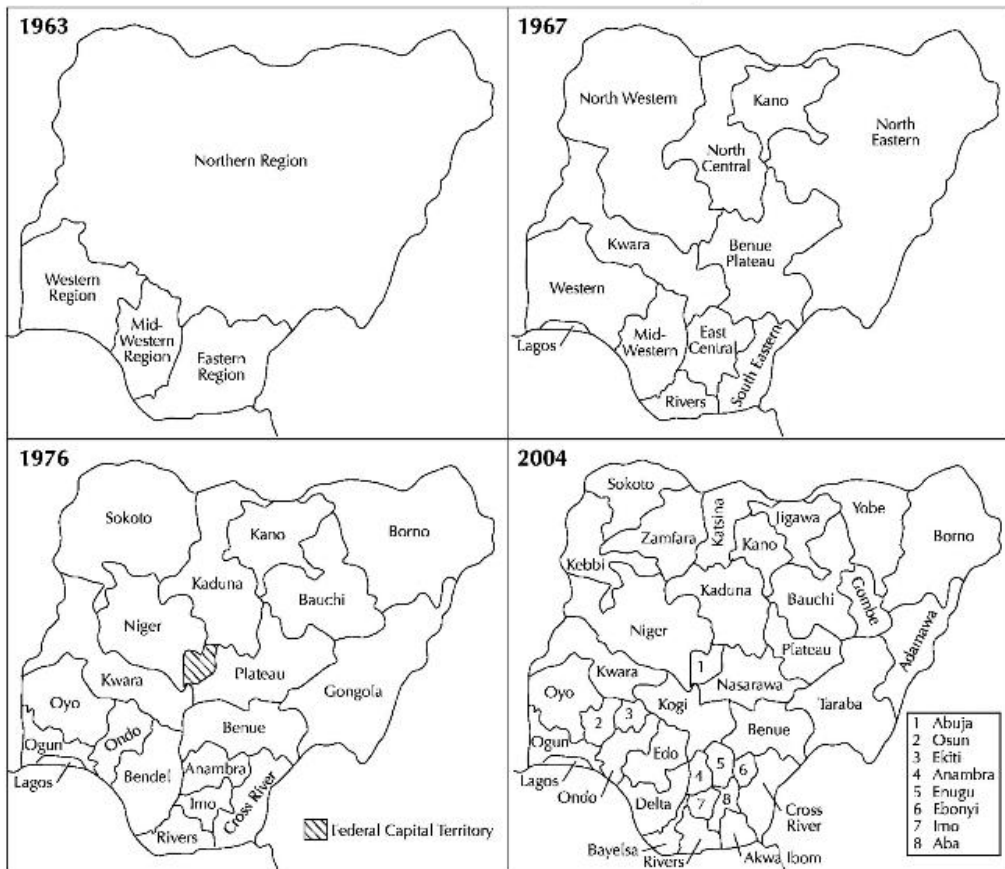
A remote country faces a home-grown Muslim terrorism threat. The terrorists appear linked to al-Qaeda. The victimized country, despite its hapless police force and porous borders, proposes cracking down on the terrorists. Will the strategy work? And what's America to do?

The scenario is familiar. What's new is the setting: Nigeria, Africa's most populous country and the largest African exporter of oil to the U.S. Seemingly worlds apart from the anti-American terrorist breeding grounds of Yemen and Pakistan, Nigeria counts among those countries who most admire the U.S. as well as among the top-ten oil exporters to America.

## The Biafran War 1967-1970

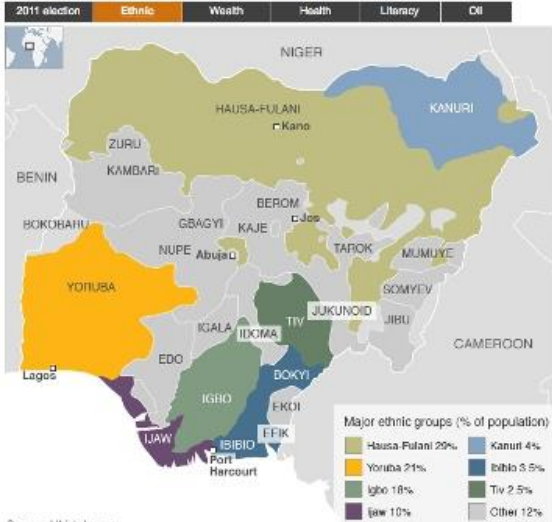


## The Evolution of Federal States in Nigeria



# A Regionalised Multi-Ethnic Federation

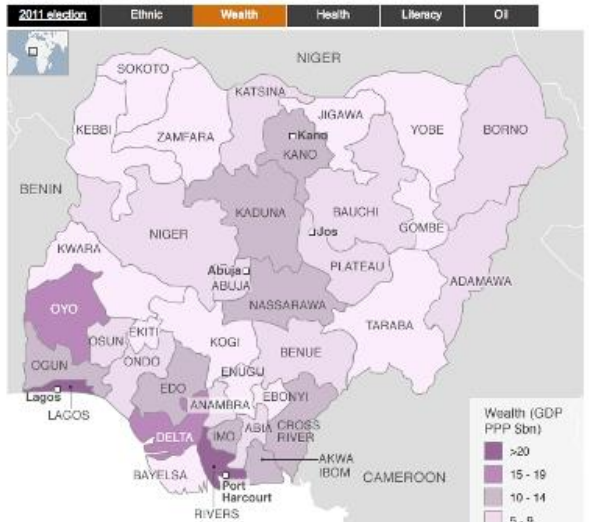
Nigeria: A nation divided



Source: Ulrich Lamm

Nigeria's 160 million people are divided between numerous ethno-linguistic groups and also along religious lines. Broadly, the Hausa-Fulani people based in the north are mostly Muslims. The Yorubas of the south-west are divided between Muslims and Christians, while the Igbos of the south-east and neighbouring groups are mostly Christian or animist. The Middle Belt is home to hundreds of groups with different beliefs, and around Jos there are frequent clashes between Hausa-speaking Muslims and Christian members of the Berom community.

Nigeria: A nation divided

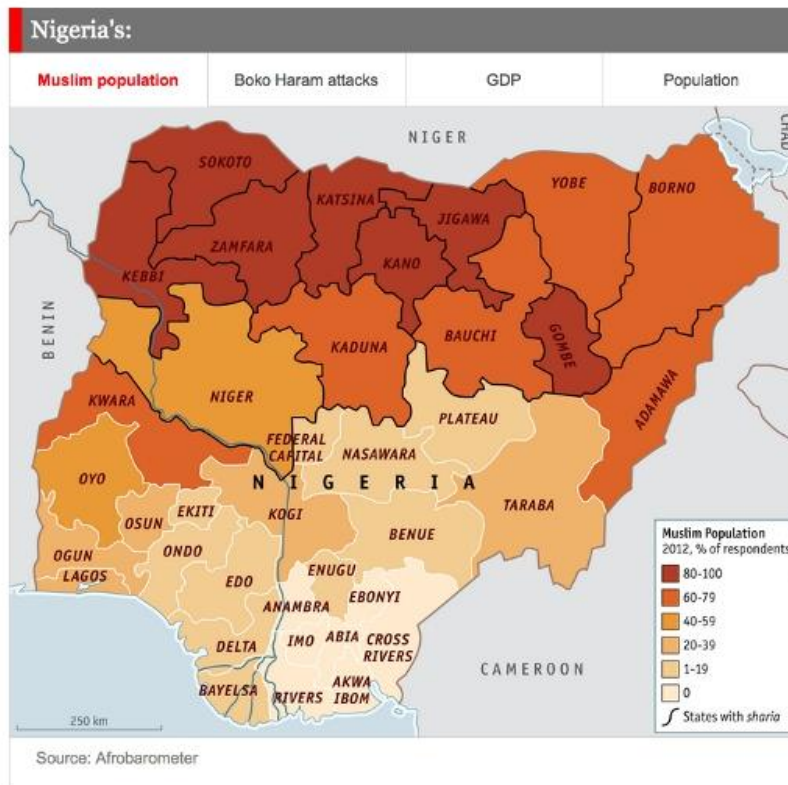


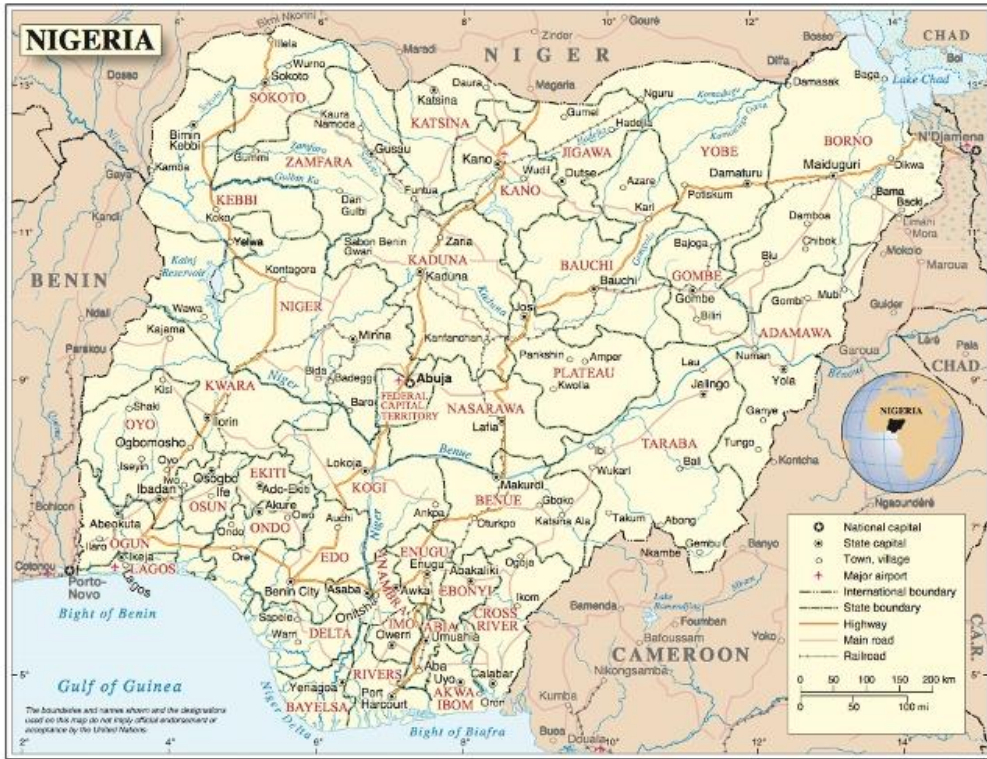
Source: Caribek Dangel C-GIDD 2007

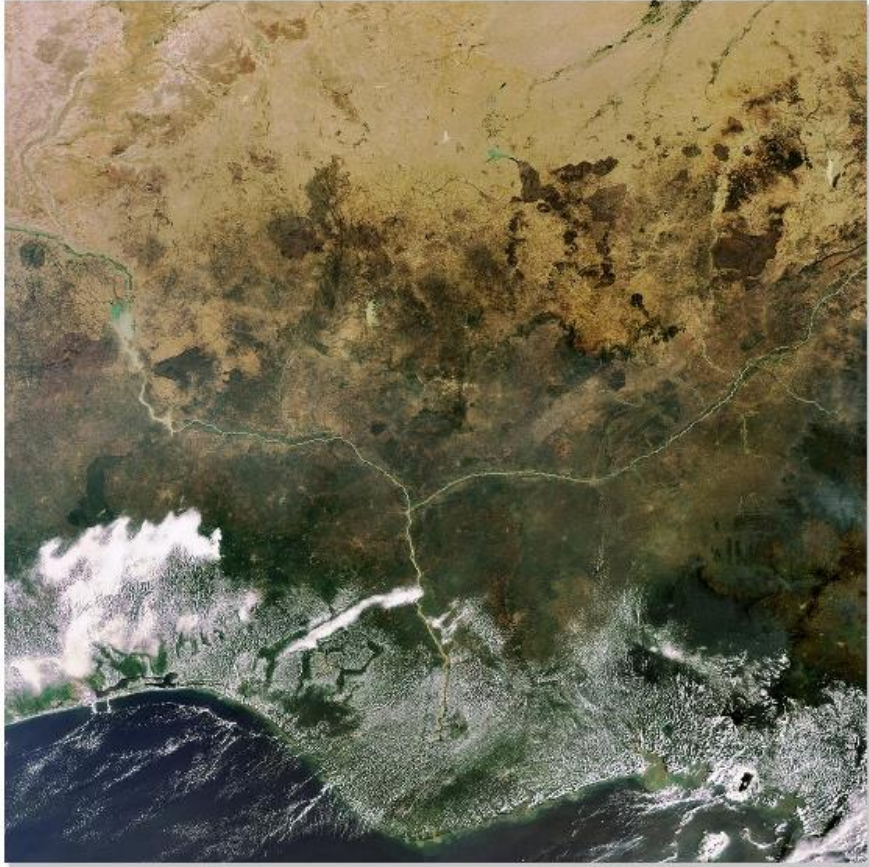
Despite its vast resources, Nigeria ranks among the most unequal countries in the world, according to the UN. The poverty in the north is in stark contrast to the more developed southern states. While in the oil-rich south-east, the residents of Delta and Akwa Ibom complain that all the wealth they generate flows up the pipeline to Abuja and Lagos.



# The Shifting Religious Landscape









# Nigeria as a Petro-State in The Gulf of Guinea

Figure 1





# The Oilfields of the Niger Delta





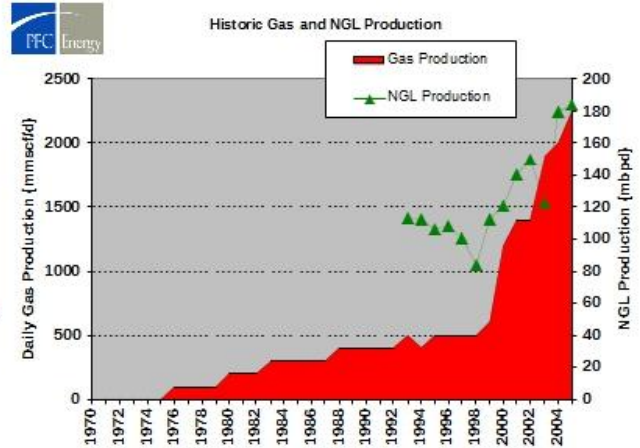








- Nigeria is referred to as a “gas province with some oil”
  - Associated
  - Non-associated gas
- Tremendous gas production, but not sufficient demand to absorb it all
  - Flaring
  - LNG
  - West Africa Gas Pipeline, GTL
  - Proposed projects: power gen, fertilizer, direct gas sales
- Growth in proved gas reserves in last five years due to LNG development
  - 6 major LNG projects proposed and/or under development → would provide an additional 75 mmtpa by 2012
  - Not all will proceed, or be completed by projected dates → EPC constraints, gas policy, Niger Delta violence



## An Overview of the Oil and Gas Sector

9th largest oil producer; 9th largest reserves; 7th largest gas reserves

oil output 2.6 bbl/d (2.4 crude)

Estimated oil reserves 35.9 billion: gas 185Tcf (perhaps 660

14 export terminals (5 onshore, 9 FPSOs)

4 refineries (two managed by Chevron)

5284 wells, 7000 kms pipelines, 275 flow stations

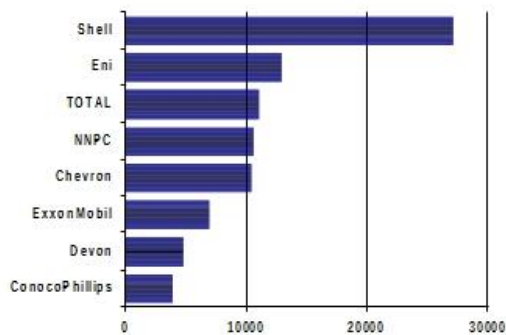
Ten gas plants; 43% gas flared (2008 elimination date)

Major LNG (Bonny, Brass, Escravos, Olokola); 5 train Bonny  
LNG 17 million tons /a; first US exports 2006. Govt. est. 50%  
oil revenues LNG by 2010.

Estimated direct labor employment less 100,000:

## The NOC and IOC Operators

- Shell (SPDC)
  - TOTAL
  - ExxonMobil
  - ENI (Agip)
  - Chevron
- Nigerian production can be considered a “core asset” in each IOCs’ global portfolio
  - Production is evenly spread between onshore, shallow and deep-water, as well as LNG production
  - However, onshore and shallow-water operations are vulnerable to a variety of risks, impacting project cash flows



Company	Nigerian Production as % of Global Portfolio (boe)
Shell (Netherlands)	10.8%
TOTAL (France)	10.2%
ExxonMobil (USA)	10.1%
ENI (Italy)	8.5%
Chevron (USA)	5.4%
ConocoPhillips (USA)	2.0%

Source: PFC Energy, 2005